

(start belt #7)

that we adopt this amendment that I have which will reduce their revenue approximately sixty-eight thousand dollars to the department of aeronautics and actually give this money to the airline to provide certain services to the state of Nebraska or land in the airports in the state of Nebraska. At...this presently we have a fuel tax in the state of Nebraska on all aircraft fuel, except in some cases, very few exceptions, but we have an aircraft fuel tax at 2½% in the state of Nebraska on all fuel purchases in the state of Nebraska by airlines and by small carriers and by private individuals. The way the system works is that there is a 5% tax and 2½% is reimbursed to the person purchasing the fuel if they so desire to claim their reimbursement. As you can imagine most big users claim the 2½%. Now this amendment would say that on purchases up to 12 no purchases up to 5...I've got the wrong amendment in my hand here, what this amendment says and a I'm offering is that purchases up to five million gallons we would receive a reimbursement of 2½¢ that is the case now. That is on all gallons that is sold, we get a reimbursement of 2½% if you claim it. Then in two here, it says on purchases of 5 million gallons to 10 million gallons there will be a reimbursement of 3¢. That is from any individual or corporation that purchase between five and ten million gallons we would give them a half percent increase in their reimbursement, thereby lowering their tax on fuel to 2¢ instead of 2½¢. Number three, on purchases over ten million gallons a reimbursement of three and one half cents thereby lowering their tax to one and a half cent for every gallon that they purchase over ten million gallons. Well there is one carrier in the state of Nebraska that purchases over ten million gallons, and that is United Airlines. United Airlines serves only two airports in the state of Nebraska and that is Omaha and Lincoln. The reason they purchase so much fuel in Nebraska is that they are one of two carriers that provides long haul service in the state of Nebraska and that is service like from Omaha to Los Angeles and service from Omaha to New York. I think that flight has been dropped but it is going to be reinstated sometimes in March. That is where they involve the greatest purchase of fuel and long haul flights that they have to fuel up in Omaha. That is where most of the fuel is purchases. Now, why is this justified a reduction in the fuel tax to United Airlines? First of all the state of Nebraska has one of the largest fuel taxes in the United States. I think that it is about the second or third with the highest tax. But what we are doing with the money that is raised from the fuel tax is that the department of aeronautics puts it together with certain matching money from the Federal Government and we build airports. Now a lot of airports are being built in the state of Nebraska which are not being used by the airlines that are paying this tax. Now in the Omaha and Lincoln area and the larger airports such as North Platte, Grand Island and Hastings, Kearney and Columbus, and Scottsbluff, those airports and I will be willing to stand here and say that all of the money that would go to the development of those major airports that came in from this fuel tax, I would not be the person here asking for the reduction in the amount of money that we ration these on, but it does not. It goes into the development of little airports thousands and thousands of dollars each year is poured into airports within small communities where there is an airport authority. Not only does the tax come from eventually paid by the consumer that ride the airline even with the fuel tax, but each airport authority has a the